

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7350

BILL NUMBER: HB 1254

NOTE PREPARED: Feb 24, 2004

BILL AMENDED: Feb 19, 2004

SUBJECT: Drivers Licensing Matters.

FIRST AUTHOR: Rep. Robertson

FIRST SPONSOR: Sen. Merritt

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 X FEDERAL

IMPACT: State

Summary of Legislation: This bill:

(1) allows the Bureau of Motor Vehicles (BMV) to adopt rules to comply with federal requirements concerning background checks for an individual seeking a hazardous materials endorsement for a Commercial Driver's License (CDL);

(2) specifies that a learner's permit holder who: (A) is less than 18 years old and holds a validated permit; or (B) is enrolled in an approved driver's education course; may drive a motor vehicle when the seat beside the driver's seat is occupied by a stepparent of the permit holder who holds a valid operator's license;

(3) permits a licensed Commercial Driver training school to conduct classroom training in a county outside the county in which the school is located.

Effective Date: Upon passage; July 1, 2004.

Explanation of State Expenditures: (1) Adopting the rules will have no fiscal impact on the BMV. However, there will be costs associated with the implementation of the rules to comply with the federal requirements concerning background checks. The Unisys Corporation, the contractor for the BMV for this effort, has estimated the start-up costs will amount to \$1,050,000, consisting of \$800,000 in the first year for IT costs of integration of the BMV STARS system (State Tracking And Record System) with that of the Transportation Security Administration, along with \$250,000 for ten fingerprinting machines. In addition, there could be additional staffing required at the BMV, but it is not known at this time how many, if any, would be needed. The funds affected are the Motor Vehicle Highway Account (MVHA) and possibly federal funds.

The Motor Carrier Services Division of the Department of Revenue also will be part of this effort. They report that there will be no additional fiscal impact on them.

Explanation of State Revenues: The Motor Carrier Services Division of the Department of Revenue reports that there will be a \$29 fee charged for the fingerprinting for those seeking a hazardous materials endorsement. There are approximately 57,000 CDLs in the state currently. The CDL is a four-year license. Revenue will depend upon the number seeking the hazardous materials endorsement.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles; Motor Carrier Services Division of the Department of Revenue.

Local Agencies Affected:

Information Sources: Jim Poe, Director of the Motor Carrier Services Division of the Department of Revenue, 615-7201.

Fiscal Analyst: James Sperlik, 317-232-9866.